

FISCAL YEAR 2008

ANNUAL REPORT



MISSOURI WINE AND GRAPE BOARD

Annual Report of the Missouri Wine and Grape Board

Executive Summary

The Missouri Wine and Grape Board was created by the Missouri General Assembly in 2006 as an independent political and corporate body of the state of Missouri (Missouri statute 262.820). Prior to this date, the Board existed in advisory form, with members appointed by the Director of Agriculture in the early 1980's. The purpose of the Board is to further the growth and economic development of the grape growing industry in the state of Missouri.

The Wine and Grape Board is responsible for researching, developing and promoting Missouri grapes, juices and wine. The Board is funded by the collection of a statewide tax imposed on all wine sold in Missouri at the rate of 12 cents per gallon. These funds support the program's three sections: enology and viticulture advisory services, research and promotion and marketing. Program expenditures provide:

- Professional advice to Missouri grape growers and wine makers
- Applied research for developing grape varieties and cold hardiness studies
- Consumer education to increase awareness of Missouri grapes and wine industry

The Board is governed by a bipartisan commission whose eleven members are appointed by the governor with the consent of the Senate. The director of the Department of Agriculture also serves as an ex-officio member. Members serve a four-year term, but can serve no more than two consecutive four-year terms. A member may, however, after serving two consecutive four-year terms and retiring for a minimum of one full year, be eligible for reappointment to the Board. Business is conducted through quarterly Board meetings or conference calls. Special meetings are held as needed.

The Board elects their own officers and has the authority to appoint staff. Tim Puchta was elected to serve as chairman, Jon Held as vice-chairman, Barbara Gibbs Ostmann as marketing chairwoman, Tony Kooyumjian as research chairman and Jim Anderson is currently serving as executive director.

PROGRAM SUMMARY

The purpose of the Missouri Wine and Grape Board is to have the Missouri wine and grape industry recognized as a pre-eminent producer of profitable premium wines in the Midwest.

Missouri wineries continue to refine their grape growing and winemaking skills to offer distinctive, quality wines. The Wine and Grape Board sponsors research at the Institute for Continental Climate Viticulture & Enology (IVVCE) center, where the quest for better, hardier grapevines is ongoing. The number of wineries in the state has grown from 52 in 2004 to 90 in 2008. Wine, grape, and related industries produced an estimated 6,186 jobs and \$701 million of total economic value to the state. Missouri has more than 1,400 acres of grapes and produces more than 352,000 cases of wine sold.

Following is a description of activities for the various programs offered by the Board.

Marketing

The marketing committee is responsible for promoting Missouri wineries and Missouri wines as entertainment, education, tourism (Missouri is ranked 3rd as a wine tourism leader) and lifestyle. Methods of reaching our target market have been conducted through sponsorships to expand the wine culture, grass roots tastings, trade shows, wine 101 classes, conducting classes at universities and colleges, print advertising and media.

Research

The Research Committee is responsible for programs covering research extension, education, and service in the areas of viticulture and enology. These efforts are mainly conducted through a unique partnership between the University of Missouri and the Wine and Grape Board. This partnership is primarily served through the Institute for Continental Climate Viticulture and Enology. In addition, collaborative projects are conducted with other institutions in state and out of state.

Board Members

Dr. Jon Hagler, Director of Agriculture
Jefferson City, Missouri

Cory Bomgaars
Rocheport, Missouri
Term Ending: 10/2008

Katie Nott Gill
Steelville, Missouri
President, Wine Marketing & Research
Council
Term: Automatic Appointment

Jon Held, Vice Chairman
Hermann, Missouri
Term Ending: 10/2011

Peter Hofherr
St. James, Missouri
Term Ending: 10/2012

Matt Kirby
Higbee, Missouri
Term Ending: 10/2010

Chuck Dressel
Augusta, Missouri
Term Ending: 10/2012

Barbara Gibbs Ostmann, Marketing
Chairwoman
Gerald, Missouri
Term Ending: 10/2011

Tim Puchta, Chairman
Hermann, Missouri
President, Missouri Vintners Assoc.
Term: Automatic Appointment

Sarah Schmidt
Waverly, Missouri
President, MO Grape Growers' Assoc.
Term: Automatic Appointment

Marty Strussion
Ste. Genevieve, Missouri
Term Ending: 10/2001

Staff

Jim Anderson, Executive Director
Sue Berendzen, Executive Assistant

Danene Beedle, Marketing Director

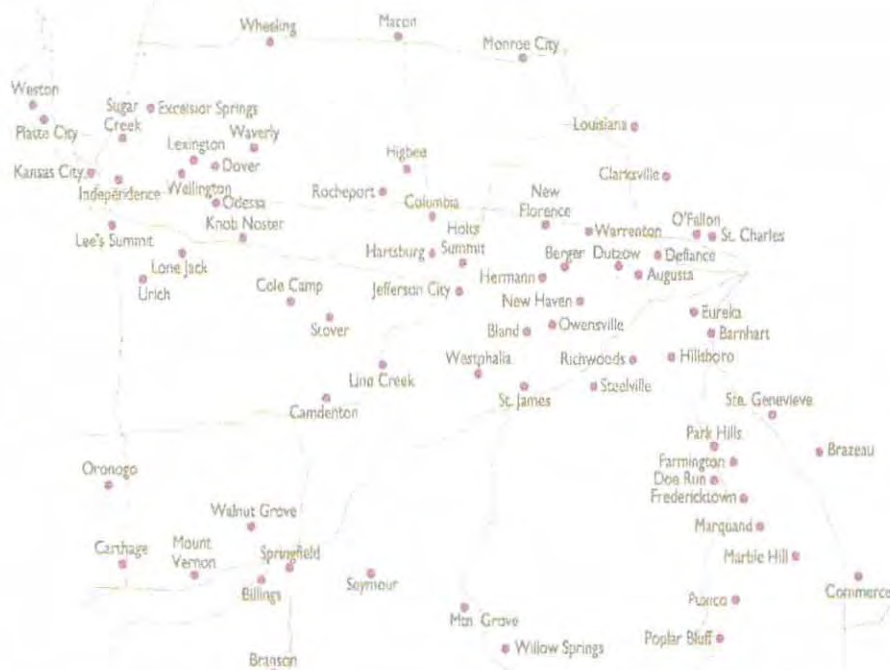
The Wine and Grape Board stimulates growth of the grape and wine industry for the economic and social benefit of the citizens of Missouri. The number of wineries Missouri wine production in the crowded and fragmented wine market will require a relentless focus on quality and value.

State and regional organization support is critical to the success of the renewed industry. Based on the recent legislative victories, there appears to be strong momentum in favor of the wine and grape industry in Missouri driven by the efforts of the Missouri Wine and Grape Board.

Missouri's wine and grape industries will benefit from America's steadily rising demand for wine – and for better wine. Wine is the most sought-after consumer good of this era: an affordable luxury.

Wine Tax Comparison

Month	FY2004	FY2005	FY2006	FY2007	FY2008
July	90,197.16	87,361.58	98,926.55	104,435.04	97,938.41
August	78,415.98	88,397.13	79,014.56	88,163.77	99,536.10
September	96,205.61	101,354.23	111,437.91	127,850.17	113,869.55
October	90,477.08	87,369.93	102,825.89	94,065.70	108,101.00
November	122,134.98	117,865.21	122,395.70	121,513.39	137,018.72
December	96,730.83	125,823.34	133,896.09	131,093.40	141,776.27
January	91,346.44	95,228.61	91,250.65	91,266.90	107,284.56
February	81,093.82	73,279.23	84,003.50	89,347.99	103,148.89
March	84,066.98	84,683.86	101,697.69	112,332.52	102,628.72
April	94,264.90	91,614.52	101,709.06	104,011.69	104,550.34
May	90,489.59	83,628.99	85,235.96	97,141.47	104,700.26
June	98,644.43	97,511.98	116,375.03	116,829.88	110,990.65
	1,114,067.80	1,134,118.61	1,228,768.59	1,278,051.92	1,331,543.47



THERE ARE MORE THAN 90 WINERIES IN MISSOURI.
Call 800-392-9463 for a free brochure and more information about our
locations and wines.

VISIT A MISSOURI WINERY

Augusta

- Augusta Winery
- Baldacci Vineyards
- Montelle Winery
- Mount Pleasant Winery

Barnhart

- Persimmon Ridge Vineyards

Berger

- Bias Winery & Grubbe's Microbrewery

Billings

- LeCave Vineyards

Bland

- Wentwood Farm Winery

Branson

- Branson Ridge
- Stone Hill Winery-Branson
- Mount Pleasant-Branson

Brazeau

- Hanrahan Winery

Camdenton

- Casa de Loco Winery

Carthage

- White Rose Winery

Clarksville

- Crown Valley Port House

Cole Camp

- Eichenberg Winery

Columbia

- Institute for Continental Climate Viticulture & Enology

Commerce

- River Ridge Winery

Defiance

- Chandler Hill Vineyards
- Yellow Farmhouse Vineyard & Winery
- Sugar Creek Winery & Vineyards

Doe Run

- Buck Mountain Winery & Vineyard

Dover

- Terre Beau Vineyards

Dutzow

- Blumenhof Vineyards & Winery

Eureka

- Claverach Farm & Vineyards

Excelsior Springs

- Fence Sole Vineyards & Winery

Farmington

- Crown Valley Champagne House
- Twin Oaks Vineyard & Winery
- Sand Creek Vineyard

Fredricktown

- Vance Vineyard & Winery

Hartzburg

- Summit Lake Winery

Hermann

- Adam Puchta Winery
- Hermannhof Winery
- Oak Glenn Vineyards & Winery
- Stone Hill Winery-Hermann

Higbee

- Cooper's Oak Winery

Hillsboro

- Villa Antonio Winery

Holtz Summit

- Summit Lake Winery

Independence

- Albonie Country Inn & Vineyard

Jefferson City

- Wine & Grape Board
- Native Stone Winery & Bull Rock Brewery

Kansas City

- Inland Sea Winery

Knob Noster

- Bristle Ridge Vineyards & Winery
- Montserrat Vineyards

Lee's Summit

- Stonehaus Farms Winery

Lexington

- Three Trails Winery

Linn Creek

- Seven Springs Winery

Lone Jack

- Bynum Winery

Louisiana

- The Eagle's Nest Winery

Macon

- West Winery

Marble Hill

- Thousand Oaks Winery & Vineyard

Marquand

- Durso Hills Vineyard & Winery

Monroe City

- Indian Creek Winery

Mount Vernon

- Williams Creek Winery

Mtn. Grove

- Mountain Grove Cellars
- VESTA Regional Center

New Florence

- Stone Hill Winery-New Florence

New Haven

- Bonmarito Estate Almond Tree Winery

Odessa

- Odessa Country Winery

O'Fallon

- Vimer's Cellar Custom Winery

Oronogo

- Keltai Vineyard & Winery

Owensville

- Phoenix Winery & Vineyards

Park Hills

- St. Francis Vineyards & Winery

Platte City

- Jowler Creek Vineyard & Winery

Puxico

- Indian Hills Winery & Bistro

Richwoods

- Bardenheier Wine Cellars

Rochepoint

- Les Bourgeois Winery & Vineyards

Springfield

- OOVDA Winery

Seymour

- Whispering Oaks Vineyard & Winery

St. Charles

- Little Hills Winery & Restaurant



MISSOURI
WINES™

St. Genevieve

- Cave Vineyard
- Charleville Vineyard & Microbrewery
- Chaumette Vineyards & Winery
- Crown Valley Winery
- Sainte Genevieve Winery

St. James

- Heinrichshaus Vineyard & Winery
- Meramec Vineyards
- St. James Winery
- Three Squirrels Winery

Steelville

- Peaceful Bend Vineyard

Stover

- Grey Bear Vineyards & Winery

Sugar Creek

- VitoGrad Winery

Ulrich

- Red Fox Winery & Vineyard

Walnut Grove

- 7 C's Winery

Warrenton

- Rolling Meadows Vineyards

Waverly

- Baltimore Bend Vineyard

Wellington

- New Oak Vineyards

Weston

- Pirtle Winery
- Riverwood Winery

Westphalia

- Westphalia Vineyards

Wheeling

- Chateau Lisa Winery

Willow Springs

- Traver Home Winery

Missouri Wine and Grape Board
Statement of Assets and Net Assets – Cash Basis
June 30, 2008

ASSETS

CURRENT ASSETS:

Pooled cash – State of Missouri, Missouri Department of Agriculture	
Marketing Fund 0787	\$ 447,405.06
Research Development 0787	\$1,115,421.42
TOTAL ASSETS POOLED CASH	\$1,562,826.48

NET ASSETS

NET ASSETS:

Marketing Fund 0787	\$ 447,405.06
Research Fund 0787	\$1,115,421.42
TOTAL NET ASSETS	\$1,562,826.48

**Missouri Wine and Grape Board
Statement of Receipts and
Changes in Net Assets – Cash Basis
For The Year Ended June 30, 2008**

RECEIPTS

Wine tax – Marketing	\$ 665,772.01
Wine tax – Research	\$ 665,771.46
Interest	\$ 63,976.75
Miscellaneous	\$ 7,916.88
Total support and revenues	\$1,403,437.10